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January 9, 2004

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To: CBA Home and Community Support Services (HCSS) Agencies
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Deaf-Blind with Multiple Disabilities (DB-MD) Agencies
Primary Home Care (PHC) Agencies

Subject: Long Term Care (LTC)
Information Letter No. 04-02
Proposed Rules Regarding the Attendant Compensation Rate
Enhancement Spending Requirement

The Health and Human Services Commission is proposing a rule change that will reduce the spending requirement for providers participating in the Attendant Compensation Rate Enhancement. The proposed rules will be published in the January 9, 2004, edition of the *Texas Register* and can be accessed at the following web link <http://www.sos.state.tx.us/texreg/issues.shtml>. The rule proposal appears below:

"For the rate year beginning September 1, 2000, the attendant compensation spending per unit of service ~~is [will be]~~ multiplied by 1.09 to determine the adjusted attendant compensation per unit of service. For the rate ~~years [year]~~ beginning September 1, 2001, and **September 1, 2002 [thereafter]**, the attendant compensation spending per unit of service ~~is [will be]~~ multiplied by 1.07 to determine the adjusted attendant compensation per unit of service. **For the rate year beginning September 1, 2003, and thereafter, the attendant compensation spending per unit of service is multiplied by 1.10 to determine the adjusted attendant compensation per unit of service."**

This rule change is being proposed because state budget limitations have reduced the reimbursement rates for the Texas Department of Human Services community-based programs by 1.1%. The proposed reduction of the spending requirement will allow participating providers more flexibility in spending across cost areas and will assist providers in covering their non-attendant costs as they adjust to the rate reduction.

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If you have any questions regarding the rule proposal, please contact Alisa Jacquet, Rate Analyst for the Rate Analysis Department, at 512-491-1374.

Sincerely,

Signature on file

Marilyn Eaton
Director
Long Term Care Services

ME:ck